

TENNESSEE LOCAL DEVELOPMENT AUTHORITY
FEBRUARY 26, 2015
AGENDA

1. Call Meeting to Order
2. Approval of Minutes from the TLDA meeting of December 16, 2014
3. Update on QECB projects
4. Presentation of the Ability to Pay Index
5. Consider for approval the following CWSRF loans:

	SRF Base Loan	Principal Forgiveness	Total SRF Funding	Interest Rate
Carthage, CW3 2014-344	\$ 593,750	\$ 31,250	\$ 625,000	0.83%
Cleveland, CG4 2015-349	\$ 2,325,000	\$ 175,000	\$ 2,500,000	1.38%
Crossville, CW1 2015-346	\$ 1,755,000	\$ 195,000	\$ 1,950,000	1.61%
Erwin, CG3 2014-341	\$ 3,800,000	\$ 200,000	\$ 4,000,000	1.39%
Fayetteville, CG4 2015-350	\$ 3,720,000	\$ 280,000	\$ 4,000,000	1.38%
Fayetteville, CG2 2015-351	\$ 1,700,000	\$ -	\$ 1,700,000	1.38%
Oliver Springs, CW4 2015-348	\$ 3,215,940	\$ 242,060	\$ 3,458,000	0.68%

6. Consider for approval the following DWSRF loans:

	SRF Base Loan	Principal Forgiveness	Total SRF Funding	Interest Rate
Bloomington UD, DG2 2014-152	\$ 1,430,000	\$ 770,000	\$ 2,200,000	0.91%
Livingston, DWF 2014-146 (increase)	\$ 250,000	\$ -	\$ 250,000	1.64%

7. Adjourn

TENNESSEE LOCAL DEVELOPMENT AUTHORITY
December 16, 2014

The Tennessee Local Development Authority (the "Authority" or "TLDA") met on Friday, December 16, 2014, at 2:00 p.m. in room LP-29, Legislative Plaza, Nashville, Tennessee. The Honorable Justin Wilson, Comptroller of the Treasury, was present and presided as Secretary.

The following members were also present:

The Honorable Tre Hargett, Secretary of State
Ms. Ashley Humphrey, Proxy for the Honorable David Lillard, State Treasurer
Ms. Angela Scott, Proxy for Commissioner Larry Martin, Department of Finance and Administration

The following members participated telephonically as authorized by Tennessee Code Annotated Section 8-44-108 and as posted in the meeting notice:

Mr. Pat Wolfe, Senate Appointee
Dr. Kenneth Moore, House Appointee

The following member was absent:

The Honorable Bill Haslam, Governor

Recognizing a physical quorum present, Mr. Wilson called the meeting to order and performed a roll-call. Notice was posted stating that Mr. Wolfe and Dr. Moore would be participating by telephone.

Dr. Moore – Present
Mr. Wolfe – Present
Ms. Humphrey – Present
Ms. Scott – Present
Mr. Hargett – Present
Mr. Wilson – Present

Mr. Wilson asked for a motion to approve the minutes of the November 21, 2014, meeting. Mr. Hargett made a motion to approve the minutes, and Ms. Scott seconded the motion. A roll-call vote was taken:

Mr. Wolfe – Aye
Dr. Moore – Aye
Mr. Hargett – Aye
Ms. Humphrey – Aye
Ms. Scott – Aye
Mr. Wilson – Aye

The minutes were unanimously approved.

Mr. Wilson stated that the next item of business was consideration of a staff recommendation to appoint a financial advisor for the TLDA. He said that staff is recommending Public Financial Management, Inc. (PFM) who had satisfactorily responded to the Request for Proposal that had been distributed on October 23, 2014. (A cost proposal from PFM and a draft contract were included in the meeting materials.)

Mr. Wilson made a motion to approve staff's recommendation for financial advisor. Mr. Hargett seconded the motion.

Dr. Moore, who serves as mayor of the city of Franklin, commented that PFM satisfactorily serves as the city's financial advisor, and that he supports staff's recommendation. There was no further discussion.

A roll-call vote was taken:

Dr. Moore – Aye
Mr. Wolfe – Aye
Mr. Hargett – Aye
Ms. Humphrey – Aye
Ms. Scott – Aye
Mr. Wilson – Aye

The motion passed unanimously.

Mr. Hargett made a motion to adjourn the meeting. Ms. Scott seconded the motion.

The meeting was adjourned.

Approved on this _____ day of _____, 2015.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Sandra Thompson', is written over a circular stamp.

Sandra Thompson
Assistant Secretary



Memphis and Shelby County Office of Sustainability

February 9, 2015

BY EMAIL AND U.S. POSTAL SERVICE

Mr. David N. Burn
Assistant Attorney General
for the State of Tennessee
P.O. Box 20207
Nashville, Tennessee 37202-0207

Luke Gebhard
Senior Program Manager, Office of Energy Programs
312 Rosa Parks Ave, 2nd Floor
Nashville, Tennessee 37243

Gentlemen:

As requested, the purpose of this letter is to provide you with a status update on the Memphis Green Communities Program. As you know, City of Memphis is committed to issuing qualified energy conservation bonds (QECBs) and to applying the proceeds thereof to projects that may be treated as part of a green communities program for federal income tax purposes. Because of a mix of state and federal tax law considerations, bond counsel has advised that the QECBs must be issued by a conduit issuer empowered to issue debt on behalf of the City of Memphis. To this end the City's \$14.5 million QECB cap allocation has been reallocated to the Center City Revenue Finance Corporation (CCRFC). Additionally, you know that City of Memphis, since mid-September 2014 has conducted a month-long, public call for applications for projects to be funded under the green communities program, carefully reviewed 48 applications received for the program, and selected four projects for funding through the green communities program. Awardees were notified in mid-November 2014.

Once the allocation was successfully transferred to CCRFC in December 2014, City of Memphis recognized that it would not be feasible to issue the QECBs before January, 2015, given the number of remaining steps required in the normal course of issuing public debt. Thus, the City of Memphis requested an extension of sixty (60) days to March 3, 2015. TLDA granted this request on December 23, 2014.

To date, the due diligence for the Crosstown issuance through CCRFC is virtually complete and bond issuance should take place well before the current deadline. However, the remaining three projects require additional time. Two of the remaining three projects – Self Tucker and Knowledge Quest – can be issued through CCRFC, but additional steps are required through various involved entities in order to

complete. Namely, each of the two projects must apply for a PILOT lease from CCRFC, obtain PILOT approval and bond approval, and complete all necessary due diligence associated with the PILOT and bond issue.

The fourth project, Southbrook, will need to be financed through a second conduit issuer, Economic Development Growth Engine (EDGE) for Memphis and Shelby County. The need for a second conduit issuer is due to the fourth project existing outside of the boundary of CCRFC. The Green Communities program was required to be open across the City of Memphis, though the transfer of allocation to CCRFC was already underway. The Southbrook project will require transfer a portion of CCRFC's QECB allocation to EDGE (by surrender to TLDA for reallocation, or otherwise), including all required approvals to do so. Based on these additional steps, it is anticipated the current deadline of March 3, 2015 is not adequate time in which to complete this process.

All steps of this greater process have been, and are being, undertaken as quickly as programmatic requirements and other circumstances reasonably permit. Given the additional board approvals that must occur, and the approval procedures involved therein it is currently anticipated that the City of Memphis will be able to complete the issuance of QECBs on the three remaining projects no later than May 3, 2015.

As discussed, the issuance for the largest of the four projects, involving over half of the total QECB allocation, will be completed before March 3. For the remaining projects, the City of Memphis continues to work diligently to ensure these projects are completed successfully. We share the mutual goal of TLDA and Office of Energy Programs of seeing successful and sustainable projects implemented through the QECB program and remain deeply committed to seeing through the four projects selected through the Memphis Green Communities program.

Please feel free to contact me with any questions.

Respectfully,



John Zeanah, AICP
Administrator

CC: **Marcus Ward**
Cheryl Hearn
Mairi Albertson
James McLaren
Steven Turner
James Eustis
Andre Walker



STATE OF TENNESSEE
DEPARTMENT OF ENVIRONMENT AND CONSERVATION
State Revolving Fund Loan Program
OPERATING POLICY 2015-01

INTEREST RATE DETERMINATION FOR MUNICIPALITIES
EFFECTIVE DATE: JANUARY 1, 2015 DECEMBER 31, 2019

PURPOSE: The Department is responsible for the management of the Clean Water State Revolving Fund (SRF) and the Drinking Water SRF Loan Programs. It is required of the Department to recommend to the Tennessee Local Development Authority (TLDA) an interest rate for all loan applicants. Those communities that fall within the lower economic scale of the index referenced below will be eligible for a lower interest rate on their loans.


POLICY: The Department adopts the following criteria in recommending an interest rate for all municipal CW/ DW SRF loan applicants:

- A. The Department will utilize the most current Ability to Pay Index (ATPI) developed by the University of Tennessee Center of Business and Economic Research. In June 2018, the Department will contact the University of Tennessee Center of Business and Economic Research in order to develop a new ATPI to be effective January 2019.
- B. Based upon this index, the Department will apply the following table to determine the recommended interest rate for the SRF loan applications

<u>ATPI Range</u>	<u>Interest Rate</u>
14.0-29.5	0%
29.6-41.9	10%
42.0-56.7	20%
56.8-64.8	30%
64.9-78.8	40%
78.9-96.6	50%
96.7-112.5	60%
112.6-131.7	70%
131.8-164.4	80%
164.5-310.0	90%
310.1-700.0	100%

- C. Market Rate is determined by the interest rate reported on the 20-year general obligation bonds and the Municipal Market Data General Obligation (MMDGO) yields published every Thursday in the Bond Buyers Index.
- D. This Policy supersedes Operating Policy 2013-01. This policy shall apply to all municipal applications received by the Department on or after January 1, 2015, and shall expire on December 31, 2019.

Adopted:


Sherwin Smith, Director
State Revolving Fund Loan Program


Tisha Calabrese Benton
Director, Division of Water Resources



STATE OF TENNESSEE
DEPARTMENT OF ENVIRONMENT AND CONSERVATION
State Revolving Fund Loan Program
OPERATING POLICY 2015-02

INTEREST RATE DETERMINATION FOR COUNTIES
EFFECTIVE DATE: JANUARY 1, 2015- DECEMBER 31, 2019

PURPOSE: The Department is responsible for the management of the Clean Water State Revolving Fund (SRF) and the Drinking Water SRF Loan Programs. It is required of the Department to recommend to the Tennessee Local Development Authority (TLDA) an interest rate for all loan applicants. Those communities that fall within the lower economic scale of the index referenced below will be eligible for a lower interest rate on their loans.


POLICY: The Department adopts the following criteria in recommending an interest rate for all municipal CW/ DW SRF loan applicants:


- A. The Department will utilize the most current Ability to Pay Index (ATPI) developed by the University of Tennessee Center of Business and Economic Research. In June 2018, the Department will contact the University of Tennessee Center of Business and Economic Research in order to develop a new ATPI to be effective January 2019.
- B. Based upon this index, the Department will apply the following table to determine the recommended interest rate for the SRF loan applications

<u>ATPI Range</u>	<u>Interest Rate</u>
45.0-55.0	0%
55.1-63.7	10%
63.8-66.6	20%
66.7-69.5	30%
69.6-81.0	40%
81.1-88.4	50%
88.5-100.9	60%
101.0-113.5	70%
113.6-121.8	80%
121.9-155.0	90%
155.1-225.0	100%

- C. Market Rate is determined by the interest rate reported on the 20-year general obligation bonds and the Municipal Market Data General Obligation (MMDGO) yields published every Thursday in the Bond Buyers Index.
- D. This Policy supersedes Operating Policy 2013-01. This policy shall apply to all municipal applications received by the Department on or after January 1, 2015, and shall expire on December 31, 2019.

Adopted:


Sherwin Smith, Director
State Revolving Fund Loan Program


Tisha Calabrese Benton
Director, Division of Water Resources

DEPARTMENT OF ENVIRONMENT AND CONSERVATION
DIVISION OF WATER RESOURCES

Clean Water State Revolving Fund (CWSRF) Loan Program
Funds Available for Loan Obligation
February 26, 2015

Unobligated Balance as of October 8, 2014 \$ 201,435,487

Increases:

	<u>Loan Number</u>	<u>Loan Amount</u>
Reduction to previous loan	*	\$ 27,360
		<u>\$ 27,360</u>

Unobligated Balance as of February 26, 2015 \$ 201,462,847

Applicants:

	<u>Loan Number</u>	<u>Loan Amount</u>
Carthage (Subsidized @ \$31,250)	CW3 2014-344	\$ 625,000
Cleveland (Subsidized @ \$175,000)	CG4 2015-349	\$ 2,500,000
Crossville (Subsidized @ \$195,000)	CW1 2015-346	\$ 1,950,000
Erwin (Subsidized @ \$200,000)	CG3 2014-341	\$ 4,000,000
Fayetteville (Subsidized @ \$280,000)	CG4 2015-350	\$ 4,000,000
Fayetteville	CG2 2015-351	\$ 1,700,000
Oliver Springs (Subsidized @ \$242,060)	CW4 2015-348	\$ 3,458,000
		<u>\$ 18,233,000</u>

Remaining Funds Available for Loan Obligations \$ 183,229,847

* Decrease to Previous Loan

	<u>Loan Number</u>	<u>Amount</u>
Camden	CG2 2013-321	\$ 27,360
		<u>\$ 27,360</u>

FACT SHEET

FEBRUARY 26, 2015

Borrower: Town of Carthage

Population: 2,306

County: Smith County

Consulting Engineer: Warren & Associates Engineering, PLLC.

Project Number: CW3 2014-344

Priority List Ranking/Points: 26(FY 2013)/30

Recommended Term: 20 years

Recommended Rate: $(2.15 \times 50\%) - (0.25\%) = 0.83\%$

Project Description: Pump Station Rehabilitation/Replacement(Repalce existing main pump station)

Total Project Cost: \$ 625,000

Sources of Funding:

SRF Loan Principal (95%)	\$ 593,750
SRF Principal Forgiveness (5%)	\$ 31,250
Other Funds	\$ -0-

State-Shared Taxes: \$ 394,264

Debt Service:

Prior Loans: (including SRF)	\$ -0-	0%
Proposed Loan:	\$ 32,230	8.17%
Total:	\$ 32,230	8.17%

Residential User Charge: (5,000 gal/month)

Current Rate: \$ 31.31

Public Meeting: October 30, 2014

**REPRESENTATION OF THE LOCAL GOVERNMENT
AS TO LOANS AND STATE-SHARED TAXES**

Town of Carthage

CW3 2014-344

The Local Government hereby represents that:

- (1) The total amount of State-Shared Taxes received by the Local Government in the prior fiscal year of the State is \$394,264.
- (2) (a) The prior loans which have been funded for which the Local Government has pledged its State-Shared Taxes are as follows:

Loan Type	Loan #	Original \$/Amt	Max: Annual Debt Service
N/A			

- (b) The maximum aggregate annual debt service is \$0.

- (3) (a) The loans which have been applied for or have been approved with funding not yet provided, for which the Local Government has pledged its State-Shared Taxes are as follows:

Loan Type	Anticipated Interest Rate	Original \$/Amt	Principal Forgiven	Anticipated Max. Annual Debt Service
SRF/Sewer	0.83%	\$625,000	\$31,250	\$32,230

- (b) The anticipated maximum aggregate annual debt service is \$32,230.

- (4) (a) State-Shared Taxes have been pledged by the Local Government to secure other obligations describe below:

Type of Obligation	Identifying #	Original \$/Amt	Max. Annual Pledge of State-Shared Taxes
N/A			

- (b) The anticipated maximum aggregate annual pledge of State-Shared Taxes pursuant of other obligations is \$0.

- (5) The amount of Local Government indebtedness Subparagraphs (2)(b), (3)(b) and (4)(b) having a lien on the State-Shared Taxes referred above is \$32,230.

- (6) The amount set forth in Subparagraph (1) less the amount set forth in Subparagraph (5) is \$362,034.

Duly signed by an authorized representative of the Local Government on this 8TH day of JANUARY, 2015.

LOCAL GOVERNMENT

BY:


Donnie Dennis, Mayor

FACT SHEET

FEBRUARY 26, 2015

Borrower: City of Cleveland

Population: 41,285

County: Bradley County

Consulting Engineer: J.R.Wauford & Company, Consulting Engineers, Inc.

Project Number: CG4 2015-349

Priority List Ranking/Points: 14(FY 2014)/45

Recommended Term: 20 years

Recommended Rate: $(2.33 \times 70\%) - (0.25\%) = 1.38\%$

Project Description: Green-Water Meter Replacements

Total Project Cost: \$ 2,500,000

Sources of Funding:

SRF Loan Principal (93%)	\$ 2,325,000
SRF Principal Forgiveness (7%)	\$ 175,000
Other Funds	\$ -0-

State-Shared Taxes: \$ 5,657,540

Debt Service:

Prior Loans: (including SRF)	\$ 1,023,514	18.09%
Proposed Loan:	\$ 133,096	2.35%
Total:	\$1,156,610	20.44%

Residential User Charge: (5,000 gal/month)

Current Rate: \$ 31.28

Public Meeting: July 17, 2014

**REPRESENTATION OF THE LOCAL GOVERNMENT
AS TO LOANS AND STATE-SHARED TAXES
City of Cleveland
CG4 2015-349**

The Local Government hereby represents that:

- (1) The total amount of State-Shared Taxes received by the Local Government in the prior fiscal year of the State is \$5,657,540.

- (2) (a) The prior loans which have been funded for which the Local Government has pledged its State-Shared Taxes are as follows:

Loan Type	Loan #	Loan Amount	Principal Forgiven	Max. Annual Debt Service
QSCB	BFC01000	\$4,160,000	-	\$323,000
SRF/Sewer	CWA 09-241	\$1,359,000	\$543,600	\$50,016
SRF/Sewer	CW0 13-319	\$1,826,000	\$451,022	\$76,991
SRF/Sewer	SRF 13-320	\$8,174,000	-	\$457,696
SRF/Water	DG2 14-151	\$2,500,000	\$500,000	\$115,811

- (b) The maximum aggregate annual debt service is \$1,023,514.

- (3) (a) The loans which have been applied for or have been approved with funding not yet provided, for which the Local Government has pledged its State-Shared Taxes are as follows:

Loan Type	Anticipated Interest Rate	Original \$/Amt	Principal Forgiven	Anticipated Max. Annual Debt Service
SRF/Sewer	1.38%	\$2,500,000	\$175,000	\$133,096

- (b) The anticipated maximum aggregate annual debt service is \$133,096.

- (4) (a) State-Shared Taxes have been pledged by the Local Government to secure other obligations describe below:

Type of Obligation	Identifying #	Original \$/Amt	Max. Annual Pledge of State-Shared Taxes
N/A			

- (b) The anticipated maximum aggregate annual pledge of State-Shared Taxes pursuant of other obligations is \$0.

- (5) The amount of Local Government indebtedness Subparagraphs (2)(b), (3)(b) and (4)(b) having a lien on the State-Shared Taxes referred above is \$1,156,610.

- (6) The amount set forth in Subparagraph (1) less the amount set forth in Subparagraph (5) is \$4,500,930.

Duly signed by an authorized representative of the Local Government on this 6th day of January, 2015.

This is the Comptroller's certificate as required by TCA 4-31-108. The approval of the loan(s) is contingent upon the approval by the Tennessee Local Development Agency.

LOCAL GOVERNMENT

BY: Ken Webb
Ken Webb, President / CEO of the ~~UB~~

FACT SHEET

FEBRUARY 26, 2015

Borrower: City of Crossville

Population: 10,795

County: Cumberland County

Consulting Engineer: GRW Engineers, Inc.

Project Number: CW1 2015-346

Priority List Ranking/Points: 33(FY 2011)/130

Recommended Term: 20 years

Recommended Rate: $(2.33 \times 80\%) - (0.25\%) = 1.61\%$

Project Description: I/I Correction (Dayton Ave/Oakmont Drive, Miller Ave/Harper Ln, and Holiday Drive Areas)

Total Project Cost: \$ 1,950,000

Sources of Funding:

SRF Loan Principal (90%)	\$ 1,755,000
SRF Principal Forgiveness (10%)	\$ 195,000
Other Funds	\$ -0-

State-Shared Taxes: \$ 1,426,370

Debt Service:

Prior Loans: (including SRF)	\$ 974,724	68.34%
Proposed Loan:	\$ 102,693	<u>7.20%</u>
Total:	\$1,077,417	75.54%

Residential User Charge: (5,000 gal/month)

Current Rate: \$ 28.70

Public Meeting: October 14, 2014

**REPRESENTATION OF THE LOCAL GOVERNMENT
AS TO LOANS AND STATE-SHARED TAXES
City of Crossville, CW1 2015-346**

The Local Government hereby represents that:

- (1) The total amount of State-Shared Taxes received by the Local Government in the prior fiscal year of the State is \$1,426,370.
- (2) (a) The prior loans which have been funded for which the Local Government has pledged its State-Shared Taxes are as follows:

Loan Type	Loan #	Original \$/Amt	Principal Forgiven	Max: Annual Debt Service
SRF/Sewer	SRF 01-156	\$474,646	\$0	\$27,408
SRF/Sewer	CWA 09-225	\$4,500,000	\$1,800,000	\$177,744
SRF/Sewer	SRF 10-261	\$500,000	\$0	\$32,616
SRF/Water	DWF 00-020	\$5,850,372	\$0	\$347,904
SRF/Water	DWF 00-033	1,220,112	\$0	\$70,464
SRF/Water	DWA 09-087	\$5,000,000	\$2,000,000	\$196,608
SRF/Water	DWF 10-105	\$667,670	\$0	\$42,836
SRF/Water	DW1 12-116	\$1,890,000	\$567,000	\$79,344

- (b) The maximum aggregate annual debt service is \$974,724.

- (3) (a) The loans which have been applied for or have been approved with funding not yet provided, for which the Local Government has pledged its State-Shared Taxes are as follows:

Loan Type	Anticipated Interest Rate	Original \$/Amt	Principal Forgiven	Anticipated Max. Annual Debt Service
SRF/Sewer	1.61%	\$1,950,000	\$195,000	\$102,693

- (b) The anticipated maximum aggregate annual debt service is \$102,693.

- (4) (a) State-Shared Taxes have been pledged by the Local Government to secure other obligations describe below:

Type of Obligation	Identifying #	Original \$/Amt	Max. Annual Pledge of State-Shared Taxes
N/A			

- (b) The anticipated maximum aggregate annual pledge of State-Shared Taxes pursuant of other obligations is \$0.

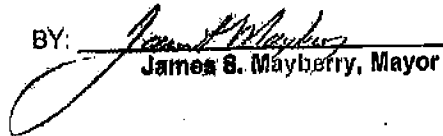
- (5) The amount of Local Government indebtedness Subparagraphs (2)(b), (3)(b) and (4)(b) having a lien on the State-Shared Taxes referred above is \$1,077,417.
- (6) The amount set forth in Subparagraph (1) less the amount set forth in Subparagraph (5) is \$348,953.

Duly signed by an authorized representative of the Local Government on this 3rd day of FEBRUARY, 2015.

This is the Comptroller's certificate as required by TCA 4-31-108. The approval of the loan(s) is contingent upon the approval by the Tennessee Local Development Agency.

LOCAL GOVERNMENT

BY:


James S. Mayberry, Mayor

FACT SHEET

FEBRUARY 26, 2015

Borrower: Town of Erwin
Population: 6,097
County: Unicoi County
Consulting Engineer: Smith, Seckman, Reid Inc.
Project Number: CG3 2014-341
Priority List Ranking/Points: 13, 30(FY 2013)/57.04, 30
Recommended Term: 30 years

Recommended Rate: $(2.74 \times 60\%) - (0.25\%) = 1.39\%$

Project Description: GREEN - I/I Correction (Approx. 8000 LF of sewer lines - Carolina Ave, Downtown Main Interceptor/Car Shop Rd, Tucker, Elm, Gay, Catawba, Ash, and Academy St) and WWTP Improvements (New splitter box, clarifier, effluent covers, convert RBC's from series to parallel operation, jet chlorination w/control system, and effluent pump station)

Total Project Cost: \$ 4,000,000

Sources of Funding:

SRF Loan Principal (95%)	\$ 3,800,000
SRF Principal Forgiveness (5%)	\$ 200,000
Other Funds	\$ -0-

State-Shared Taxes: \$ 708,092

Debt Service:

Prior Loans: (including SRF)	\$ 35,352	4.99%
Proposed Loan:	\$ 154,979	21.89%
Total:	\$ 190,331	26.88%

Residential User Charge: (5,000 gal/month)

Current Rate: \$ 30.70

Public Meeting: July 02, 2014

**REPRESENTATION OF THE LOCAL GOVERNMENT
AS TO LOANS AND STATE-SHARED TAXES
Erwin, CG3 2014-341**

The Local Government hereby represents that:

- (1) The total amount of State-Shared Taxes received by the Local Government in the prior fiscal year of the State is \$708,092.

- (2) (a) The prior loans which have been funded for which the Local Government has pledged its State-Shared Taxes are as follows:

Loan Type	Loan #	Original \$/Amt	Principal Forgiveness	Max. Annual Debt Service
SRF/Water	DW0 11-114	\$700,000	\$140,000	\$35,352

- (b) The maximum aggregate annual debt service is \$35,352.

- (3) (a) The loans which have been applied for or have been approved with funding not yet provided, for which the Local Government has pledged its State-Shared Taxes are as follows:

Loan Type	Anticipated Interest Rate	Original \$/Amt	Principal Forgiveness	Anticipated Max. Annual Debt Service
SRF/Sewer	1.39%	\$4,000,000	\$200,000	\$154,979

- (b) The anticipated maximum aggregate annual debt service is \$154,979.

- (4) (a) State-Shared Taxes have been pledged by the Local Government to secure other obligations describe below:

Type of Obligation	Identifying #	Original \$/Amt	Max. Annual Pledge of State-Shared Taxes
N/A			

- (b) The anticipated maximum aggregate annual pledge of State-Shared Taxes pursuant of other obligations is \$0.

- (5) The amount of Local Government indebtedness Subparagraphs (2)(b), (3)(b) and (4)(b) having a lien on the State-Shared Taxes referred above is \$190,331.

- (6) The amount set forth in Subparagraph (1) less the amount set forth in Subparagraph (5) is \$517,761.

Duly signed by an authorized representative of the Local Government on this 9th day of December, 2014.

This is the Comptroller's certificate as required by TCA 4-31-108. The approval of the loan(s) is contingent upon the approval by the Tennessee Local Development Agency.

LOCAL GOVERNMENT

BY: Lee H. Brown
Lee H. Brown, General Manager

FACT SHEET

FEBRUARY 26, 2015

Borrower: Fayetteville
Population: 6,827
County: Lincoln County
Consulting Engineer: Trestles LLc.
Project Number: CG4 2015-350
Priority List Ranking/Points: 7, 8, 9(FY 2014)/108.1
Recommended Term: 20 years
Recommended Rate: $(2.33 \times 70\%) - (0.25\%) = 1.38\%$

Project Description: GREEN – WWTP Improvements (Repair/replace return sludge pumps; improvements to the clarifier, aeration process, digester, SCAD, electrical, and lab building; and construction of a Class A Biosolids Facility and Dewatering Facility)

Total Project Cost: \$ 5,700,000

Sources of Funding:

SRF Loan Principal (93%)	\$ 3,720,000
SRF Principal Forgiveness (7%)	\$ 280,000
Other Funds (CG2 2015-351)	\$ 1,700,000

State-Shared Taxes: \$ 853,507

Debt Service:

Prior Loans: (including SRF)	\$ 258,193	30.25%
Proposed Loan:	\$ 310,270	36.35%
Total:	\$ 568,463	66.60%

Residential User Charge: (5,000 gal/month)

Current Rate: \$ 48.14

Public Meeting: January 05, 2015

**REPRESENTATION OF THE LOCAL GOVERNMENT
AS TO LOANS AND STATE-SHARED TAXES
City of Fayetteville
CG4 2015-350**

The Local Government hereby represents that:

- (1) The total amount of State-Shared Taxes received by the Local Government in the prior fiscal year of the State is \$853,507.
- (2) (a) The prior loans which have been funded for which the Local Government has pledged its State-Shared Taxes are as follows:

Loan Type	Loan #	Original \$/Amt	Principal Forgiven	Max: Annual Debt Service
SRF/Sewer	CG0 13-315	\$972,360	\$240,173	\$41,077
SRF/Sewer	CG1 13-316	\$4,300,000	\$430,000	\$217,116

- (b) The maximum aggregate annual debt service is \$258,193.
- (3) (a) The loans which have been applied for or have been approved with funding not yet provided, for which the Local Government has pledged its State-Shared Taxes are as follows:

Loan Type	Anticipated Interest Rate	Original \$/Amt	Principal Forgiven	Anticipated Max. Annual Debt Service
SRF/Sewer	1.38%	\$4,000,000	\$280,000	\$212,953
SRF/Sewer	1.38%	\$1,700,000	\$0	\$97,317

- (b) The anticipated maximum aggregate annual debt service is \$310,270.
- (4) (a) State-Shared Taxes have been pledged by the Local Government to secure other obligations describe below:

Type of Obligation	Identifying #	Original \$/Amt	Max. Annual Pledge of State-Shared Taxes
N/A			

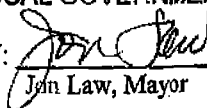
- (b) The anticipated maximum aggregate annual pledge of State-Shared Taxes pursuant of other obligations is \$0.
- (5) The amount of Local Government indebtedness Subparagraphs (2)(b), (3)(b) and (4)(b) having a lien on the State-Shared Taxes referred above is \$568,463.
- (6) The amount set forth in Subparagraph (1) less the amount set forth in Subparagraph (5) is \$285,044.

Duly signed by an authorized representative of the Local Government on this 23 day of JANUARY, 2014.5

This is the Comptroller's certificate as required by TCA 4-31-108. The approval of the loan(s) is contingent upon the approval by the Tennessee Local Development Agency.

LOCAL GOVERNMENT

BY:


Jan Law, Mayor

FACT SHEET

FEBRUARY 26, 2015

Borrower: Fayetteville
Population: 6,827
County: Lincoln County
Consulting Engineer: Trestles LLc.
Project Number: CG2 2015-351
Priority List Ranking/Points: 7, 8, 9(FY 2014)/108.1
Recommended Term: 20 years
Recommended Rate: $(2.33 \times 70\%) - (0.25\%) = 1.38\%$

Project Description: GREEN – WWTP Improvements (Repair/replace return sludge pumps; improvements to the clarifier, aeration process, digester, SCAD, electrical, and lab building; and construction of a Class A Biosolids Facility and Dewatering Facility)

Total Project Cost: \$ 5,700,000

Sources of Funding:

SRF Loan Principal	\$ 1,700,000
Other Funds (CG4 2015-350)	\$ 4,000,000

State-Shared Taxes: \$ 853,507

Debt Service:

Prior Loans: (including SRF)	\$ 258,193	30.25%
Proposed Loan:	\$ 310,270	<u>36.35%</u>
Total:	\$ 568,463	66.60%

Residential User Charge: (5,000 gal/month)

Current Rate: \$ 48.14

Public Meeting: January 05, 2015

**REPRESENTATION OF THE LOCAL GOVERNMENT
AS TO LOANS AND STATE-SHARED TAXES**

**City of Fayetteville
CG2 2015-351**

The Local Government hereby represents that:

- (1) The total amount of State-Shared Taxes received by the Local Government in the prior fiscal year of the State is \$853,507.
- (2) (a) The prior loans which have been funded for which the Local Government has pledged its State-Shared Taxes are as follows:

Loan Type	Loan #	Original \$/Amt	Principal Forgiven	Max. Annual Debt Service
SRF/Sewer	CG0 13-315	\$972,360	\$240,173	\$41,077
SRF/Sewer	CG1 13-316	\$4,300,000	\$430,000	\$217,116

- (b) The maximum aggregate annual debt service is \$258,193.
- (3) (a) The loans which have been applied for or have been approved with funding not yet provided, for which the Local Government has pledged its State-Shared Taxes are as follows:

Loan Type	Anticipated Interest Rate	Original \$/Amt	Principal Forgiven	Anticipated Max. Annual Debt Service
SRF/Sewer	1.38%	\$4,000,000	\$280,000	\$212,953
SRF/Sewer	1.38%	\$1,700,000	\$0	\$97,317

- (b) The anticipated maximum aggregate annual debt service is \$310,270.
- (4) (a) State-Shared Taxes have been pledged by the Local Government to secure other obligations describe below:

Type of Obligation	Identifying #	Original \$/Amt	Max. Annual Pledge of State-Shared Taxes
N/A			

- (b) The anticipated maximum aggregate annual pledge of State-Shared Taxes pursuant of other obligations is \$0.
- (5) The amount of Local Government indebtedness Subparagraphs (2)(b), (3)(b) and (4)(b) having a lien on the State-Shared Taxes referred above is \$568,463.
- (6) The amount set forth in Subparagraph (1) less the amount set forth in Subparagraph (5) is \$285,044.

Duly signed by an authorized representative of the Local Government on this 23rd day of January, 2014.

This is the Comptroller's certificate as required by TCA 4-31-108. The approval of the loan(s) is contingent upon the approval by the Tennessee Local Development Agency.

LOCAL GOVERNMENT

BY: Jon Law

Jon Law, Mayor

FACT SHEET

FEBRUARY 26, 2015

Borrower: Town of Oliver Springs
Population: 3,231
County: Anderson, Roane and Morgan Counties
Consulting Engineer: GRW Engineers, Inc.
Project Number: CW4 2015-348
Priority List Ranking/Points: 2(FY 2014)/134
Recommended Term: 20 years
Recommended Rate: $(2.32 \times 40\%) - (0.25\%) = 0.68\%$

Project Description: WWTP Improvements (Replace headworks and blowers, new pumps, electrical and mechanical repairs, SCADA upgrades, new sludge holding facilities, and replace existing EQ basin at WWTP)

Total Project Cost: \$ 3,983,000

Sources of Funding:

SRF Loan Principal (93%)	\$ 3,215,940
SRF Principal Forgiveness (7%)	\$ 242,060
Other Funds(CDBG)	\$ 525,000

State-Shared Taxes: \$ 384,106

Debt Service:

Prior Loans: (including SRF)	\$ 164,220	42.75%
Proposed Loan:	\$ <u>172,024</u>	<u>44.79%</u>
Total:	\$ 336,244	87.54%

Residential User Charge: (5,000 gal/month)

Current Rate: \$ 45.30

Public Meeting: December 18, 2014

**REPRESENTATION OF THE LOCAL GOVERNMENT
AS TO LOANS AND STATE-SHARED TAXES
Town of Oliver Springs
CW4 2015-348**

The Local Government hereby represents that:

- (1) The total amount of State-Shared Taxes received by the Local Government in the prior fiscal year of the State is \$384,106.
- (2) (a) The prior loans which have been funded for which the Local Government has pledged its State-Shared Taxes are as follows:

Loan Type	Loan #	Original \$/Amt	Principal Forgiven	Max: Annual Debt Service
SRF/Sewer	SRF 92-045	\$2,401,981	\$0	\$164,220

- (b) The maximum aggregate annual debt service is \$164,220.

- (3) (a) The loans which have been applied for or have been approved with funding not yet provided, for which the Local Government has pledged its State-Shared Taxes are as follows:

Loan Type	Anticipated Interest Rate	Original \$/Amt	Principal Forgiven	Anticipated Max. Annual Debt Service
SRF/Sewer	0.68%	\$3,458,000	\$242,060	\$172,024

- (b) The anticipated maximum aggregate annual debt service is \$172,024.

- (4) (a) State-Shared Taxes have been pledged by the Local Government to secure other obligations describe below:

Type of Obligation	Identifying #	Original \$/Amt	Max. Annual Pledge of State-Shared Taxes
N/A			

- (b) The anticipated maximum aggregate annual pledge of State-Shared Taxes pursuant of other obligations is \$0.

- (5) The amount of Local Government indebtedness Subparagraphs (2)(b), (3)(b) and (4)(b) having a lien on the State-Shared Taxes referred above is \$336,244
- (6) The amount set forth in Subparagraph (1) less the amount set forth in Subparagraph (5) is \$47,862.

Duly signed by an authorized representative of the Local Government on this 12th day of December, 2014.

DEPARTMENT OF ENVIRONMENT AND CONSERVATION
DIVISION OF WATER RESOURCES

Drinking Water State Revolving Fund (DWSRF) Loan Program
Funds Available for Loan Obligation
February 26, 2015

Unobligated Balance as of October 8, 2014 **\$ 51,808,654**

<u>Increases:</u>	<u>Loan Number</u>	<u>Loan Amount</u>
Reductions to prior loans	*	\$ 2,715,185
		\$ 2,715,185

Unobligated Balance as of February 26, 2015 **\$ 54,523,839**

<u>Applicants:</u>	<u>Loan Number</u>	<u>Loan Amount</u>
Bloomingdale Utility District (Subsidized @ \$770,000)	DG2 2014-152	\$ 2,200,000
Livingston (loan increase)	DWF 2014-146	\$ 250,000
		\$ 2,450,000

Remaining Funds Available for Loan Obligations **\$ 52,073,839**

*** Reductions to Prior Loans**

<u>Early Payoffs</u>	<u>Loan Number</u>	<u>Amount</u>
LaGuardo Utility District	DWF 2000-025	\$ 418,180
Lebanon	DWF 2001-039	\$ 1,068,351
Total Early Payoffs		\$ 1,486,531

<u>Loan Decreases</u>	<u>Loan Number</u>	<u>Amount</u>
Cross Anchor Utility District	DG1 2012-122	\$ 1,050,000
Elizabethton	DW0 2011-112	\$ 175,236
Ridgely	DWF 2014-137	\$ 3,418
Total Loan Decreases		\$ 1,228,654

*	Total reductions to prior loans	\$ 2,715,185
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FACT SHEET

FEBRUARY 26, 2015

Borrower: Bloomingdale UD
Population: 11,753
County: Sullivan County
Consulting Engineer: W & W Engineering, LLc.
Project Number: DG2 2014-152
Priority List Ranking/Points: 5(FY 2012)/65
Recommended Term: 20 years
Recommended Rate: $(2.32 \times 50\%) - (0.25\%) = 0.91\%$

Project Description: Replacement of Water Transmission lines and Raw Waterpumps.

Total Project Cost: \$ 2,200,000

Sources of Funding:

SRF Loan Principal (65%)	\$ 1,430,000
SRF Principal Forgiveness (35%)	\$ 770,000
Other Funds	\$ -0-

Gross Revenues: \$ 1,911,035

Debt Service:

Prior Loans: (including SRF)	\$ 251,642	13.17%
Proposed Loan:	\$ 78,231	4.09%
Total:	\$ 329,873	17.26%

Residential User Charge: (5,000 gal/month)

Current Rate: \$ 38.50

Public Meeting: September 04, 2014

**REPRESENTATION OF THE LOCAL GOVERNMENT
AS TO OUTSTANDING LOANS
Bloomingdale UD DG2 2015-152**

The Local Government hereby represents that:

- (1) The total amount of revenues of the system received by the Local Government in the prior fiscal year of the State is \$1,911,035.
- (2) (a) The prior loans which have been funded for which the Local Government has pledged its revenues are as follows:

Loan Type	Loan #	Original \$/Amt.	Principal Forgiven	Max: Annual Debt Service
SRF/Water	DGA 09-096	\$3,000,000	\$1,200,000	\$106,933
Waterworks Revenue Bond	Series 1980	\$590,000	\$0	\$34,834
Waterworks Revenue Bond	Series 2005	\$1,350,000	\$0	\$109,875

- (b) The maximum aggregate annual debt service is \$251,642.
- (3) (a) The loans which have been applied for or have been approved with funding not yet provided, for which the Local Government has pledged its revenues are as follows:

Loan Type	Anticipated Interest Rate	Original \$/Amt.	Principal Forgiven	Anticipated Max. Annual Debt Service
SRF/Water	0.91%	\$2,200,000	\$770,000	\$78,231

- (b) The anticipated maximum aggregate annual debt service is \$78,231.
- (4) The amount of Local Government indebtedness (Subparagraphs (2)(b) and (3)(b) having a lien on the revenues referred above is \$329,873.
- (5) The amount set forth in Subparagraph (1) less the amount set forth in Subparagraph (4) is \$1,581,162.

This is the Comptroller's certificate as required by TCA 4-31-108. The approval of the loan(s) is contingent upon the approval by the Tennessee Local Development Authority.

This is the Comptroller's certificate as required by TCA 4-31-108. The approval of the loan(s) is contingent upon the approval by the Tennessee Local Development Authority.

Duly signed by an authorized representative of the Local Government on this 30th day of December, 2014.

LOCAL GOVERNMENT

BY:

Fred Hicks
Fred Hicks, Manager

FACT SHEET

FEBRUARY 26, 2015

Borrower: Livingston
Population: 12,570
County: Overton County
Consulting Engineer: J.R. Wauford & Company,
Project Number: DWF 2014-146
Priority List Ranking/Points: 11(FY 2013)/45
Recommended Term: 20 years
Recommended Rate: $(3.15 \times 60\%) - (0.25\%) = 1.64\%$

Project Description: Water Treatment Improvements (Upgrading finished water pumping capacity and installing lightning protection at all four water booster stations)

		Increase
Total Project Cost:	* \$ 1,750,000	\$ 250,000

Sources of Funding:

SRF Loan Principal	\$ 450,000
Other Funds (ARC Grant)	\$ 500,000
Other Funds (DW0 2014-144)	\$ 800,000

State-Shared Taxes: \$ 463,890

Debt Service:

Prior Loans: (including SRF)	<u>\$ 622,726</u>	134.24%
Proposed Loan:	<u>\$ 26,406</u>	05.69%
Total:	\$ 649,132	139.93%

Residential User Charge: (5,000 gal/month)

Current Rate: \$ 33.49

Public Meeting: February 13, 2014

* There is a previous Loan in the amount of \$ 200,000

**REPRESENTATION OF THE LOCAL GOVERNMENT
AS TO LOANS AND STATE-SHARED TAXES
Livingston DWF-2014-146 (loan increase)**

The Local Government hereby represents that:

- (1) The total amount of State-Shared Taxes received by the Local Government in the prior fiscal year of the State is \$463,890.

- (2) (a) The prior loans which have been funded for which the Local Government has pledged its State-Shared Taxes are as follows:

Loan Type	Loan #	Original \$/Amt	Principal Forgiveness	Max: Annual Debt Service
SRF/Sewer	90-012	\$ 2,983,100	\$0	\$183,096
SRF/Water	04-055	\$1,426,694	\$0	\$86,280
SRF/Water	04-059	\$5,570,000	\$0	\$322,836
SRF/Water	14-144	\$800,000	\$280,000	\$30,514

- (b) The maximum aggregate annual debt service is \$622,726.

- (3) (a) The loans which have been applied for or have been approved with funding not yet provided, for which the Local Government has pledged its State-Shared Taxes are as follows:

Loan Type	Anticipated Interest Rate	Original \$/Amt	Principal Forgiveness	Anticipated Max. Annual Debt Service
SRF/Water	1.64%	\$450,000*	\$0	\$26,406

*\$200,000 was approved on 03/26/2014. The town is requesting an additional \$250,000.

- (b) The anticipated maximum aggregate annual debt service is \$26,406.

- (4) (a) State-Shared Taxes have been pledged by the Local Government to secure other obligations describe below:

Type of Obligation	Identifying #	Original \$/Amt	Max. Annual Pledge of State-Shared Taxes
N/A			

- (b) The anticipated maximum aggregate annual pledge of State-Shared Taxes pursuant of other obligations is \$0.

- (5) The amount of Local Government indebtedness Subparagraphs (2)(b), (3)(b) and (4)(b) having a lien on the State-Shared Taxes referred above is \$649,132.

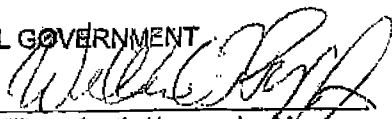
- (6) The amount set forth in Subparagraph (1) less the amount set forth in Subparagraph (5) is \$(185,242).

Duly signed by an authorized representative of the Local Government on this 6 day of January, 2014.⁵

This is the Comptroller's certificate as required by TCA 4-31-108. The approval of the loan(s) is contingent upon the approval by the Tennessee Local Development Agency.

LOCAL GOVERNMENT

BY:


William Curtis Hayes, Jr., Mayor